



April 23, 2020

Via Electronic Mail to tracy.swalwell@iid.iowa.gov

Ms. Tracey Swalwell
Iowa Insurance Division
Two Ruan Center
601 Locust Street, Fourth Floor
Des Moines, IA 50309

Re: Proposed Rule Making Related to Best Interest Standard for Insurance and Securities Professionals

Dear Ms. Swalwell:

The Indexed Annuity Leadership Council (“IALC”)¹ appreciates the opportunity to comment on proposed amendments to Iowa rules impacting the regulation of insurance producers and securities professionals.

The IALC is a consortium of life insurance companies that offer fixed indexed annuities (“FIAs”). The IALC was established in 2011 with a mission to educate the public (including regulators) about the benefits of FIAs, which offer principal protection and a predictable, guaranteed retirement income, and can contribute balance to retirement savers’ long-term financial plans. Today, there is more than \$330 billion in FIA policies outstanding.

We have had the opportunity to review the proposed rulemaking, in particular the proposals to amend Chapter 15 of the Iowa Administrative Code, “Unfair Trade Practices,” and Chapter 50, “Regulation of Securities Offerings and Those Who Engage in the Securities Business,” and offer our comments below.

Throughout the drafting process of newly revised NAIC Model #275, the IALC was an active participant, engaging both through written comment letters to the NAIC Annuity Suitability (A) Working Group and through in-person meetings with regulators and interested parties. We are very supportive of the best interest standard articulated in the new NAIC Model #275 and are

¹ The IALC is made up of Allianz Life Insurance Company of North America, American Equity Investment Life Insurance Company®, Athene USA, Midland National Life Insurance Company, and North American Company for Life and Health.



likewise supportive of the Iowa Insurance Division's ("Division") efforts to implement this important rule change. We remain

hopeful that other states will follow Iowa's lead in adopting this standard in a uniform fashion to create important regulatory uniformity – particularly for those insurance and financial professionals working across state lines as well as for our members, which are regulated by all fifty states.

We believe the Division's proposed rulemaking strikes the right balance by raising the bar for producer recommendations, while also protecting consumer choice (of both product and producer type). We commend the Division for its prompt consideration of the new NAIC Model #275, and look forward to engaging further with the Division as our members shift from advocacy to implementation of the rule.

Thank you for your time and consideration.

Regards,

A handwritten signature in black ink, appearing to read "Jim Poolman", is positioned below the "Regards," text.

Jim Poolman
IALC Executive Director